

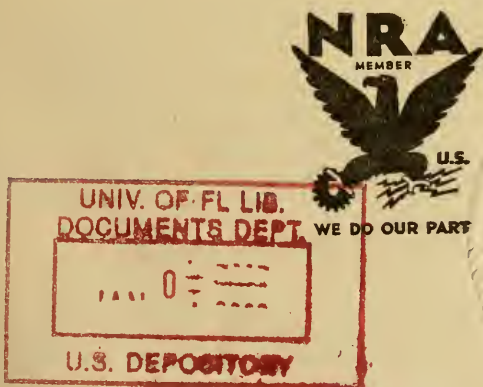
NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION
FOR THE
LIGHTING EQUIPMENT
INDUSTRY

AS SUBMITTED ON AUGUST 30, 1933

REGISTRY No. 1212—1—03

This Code for the Lighting Equipment Industry in its present form merely reflects the proposal of the above-mentioned industry, and none of the provisions contained therein are to be regarded as having received the approval of the National Recovery Administration as applying to this industry



UNITED STATES
GOVERNMENT PRINTING OFFICE
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CODE OF FAIR COMPETITION OF THE LIGHTING EQUIPMENT INDUSTRY

ARTICLE I—PURPOSE OF THE CODE

The purpose of this Code is to effectuate the policy of Title I of the National Industrial Recovery Act insofar as it is applicable to the industry. The Code is not designed to promote monopolies, eliminate or oppress small enterprises, and will not operate to discriminate against them.

ARTICLE II—DEFINITIONS

SECTION 1. The term "industry" means the complete designing and manufacturing of lighting equipment units for illumination purposes, made of metal, or metal and glass, or other material, or of glass and other materials, in conjunction with a supporting frame of any material. This excludes coves of any material which are part of the walls of the building.

SEC. 2. The term "employer" is defined to mean any person engaged in the industry who sells a complete lighting equipment unit of his own production.

SEC. 3. The term "employee" means every employee in the industry excepting executives, superintendents, manufacturing and designing supervisory staff, salesmen, maintenance and repair men, and watchmen.

SEC. 4. The term "person" means natural persons, partnerships, associations, and corporations.

SEC. 5. The term "the association" means the Artistic Lighting Equipment Association, a trade association having its executive office at 40 Wall St., New York City.

SEC. 6. The term "Executive Committee" means the Executive Committee of the Artistic Lighting Equipment Association.

SEC. 7. The term "the President" means the President of the United States of America.

ARTICLE III—ADMINISTRATIVE AGENCY

The Executive Committee of the Artistic Lighting Equipment Association is hereby designated the agency for administering the provisions of this Code by the members of the Lighting Equipment Industry.

ARTICLE IV—PARTICIPATION IN THE CODE

Any employer may participate in this Code and in any revisions or additions thereto and receive the benefits thereof by accepting

the proper pro rata share and responsibility of creating and administering it, either by becoming a member of the Association or by paying to it an amount equal to the dues from time to time provided to be paid by a member in like situation of the Association.

ARTICLE V—LABOR RELATIONS, MAXIMUM HOURS OF LABOR, MINIMUM RATES OF PAY

A. LABOR RELATIONS

SECTION 1. No employer in the industry shall employ any person under the age of sixteen (16) years.

SEC. 2. (a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives, or in self-organization, or in other concerted activities for the purpose of collective bargaining or other mutual aid and protection.

(b) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

(c) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved and prescribed by the President.

SEC. 3. The plants of the industry, in conformity with their established custom, shall be open to capable workmen, without regard to their membership or nonmembership in any labor organization. The industry firmly believes that the unqualified maintenance of this principle is in the interest of its employees.

B. MAXIMUM HOURS OF LABOR

No employees (including a proprietor or others doing productive work) shall work more than forty (40) hours per week in the industry.

Provided, however, that this limitation shall not apply to those sections of the industry in which seasonal or peak demands place an unusual or temporary burden upon such sections. In such cases no employee shall be permitted to work more than an aggregate of one hundred and forty-four (144) hours per year in excess of the limitation herein provided. At the end of each calendar month every employer shall report to the Executive Committee in such detail as may be required the number of man-hours worked in that month on account of seasonal or peak demand requirements, and the ratio which such man-hours bears to the total number of man-hours of labor during said month.

C. MINIMUM RATES OF PAY

SECTION 1. (a) The minimum wage that shall be paid by any employer to any employee engaged in the processing of the products

of the Lighting Equipment Industry and in labor operations directly incident thereto shall be forty (40) cents per hour, unless the rate per hour for the same class of labor on July 15, 1929, was less than forty (40) cents, in which case the rate per hour shall be not less than the rate per hour paid on July 15, 1929, and provided also that in no event shall the rate per hour be less than thirty (30) cents per hour, and provided further that casual and incidental labor and learners may be paid not less than eighty (80) percent of such minimum wage, but the total amount paid to such casual and incidental labor and learners shall not exceed in any calendar month five (5) percent of the total wages paid to all process labor by such employer.

(b) The minimum wage that shall be paid by any employer to all other employees, except commission sales people, shall be at the rate of fifteen (15) dollars per week, provided, however, that office boys or girls, learners, and casual employees may be paid not less than eighty (80) percent of such minimum wage but the total amount paid to such office boys or girls, learners and casual employees shall not exceed in any calendar month five (5) percent of the total amount paid by such employer to all employees covered by the provisions of this paragraph (b).

ARTICLE VI—PROVISIONS GOVERNING COMPETITIVE PRACTICES

SECTION 1. *Selling Below Cost*.—No employer shall sell his product below the cost of production except as permitted by the Executive Committee to meet special conditions. The cost of production shall be determined in accordance with the simple uniform method of costing hereinafter provided for.

SEC. 2. *Policy on Catalogues and Price Lists*.—If the Executive Committee determines that in any branch or sub-division of the Lighting Equipment Industry it has been the generally recognized practice to sell a specified product on the basis of printed net price lists, or price lists with discount sheets, and fixed terms of payment, which are distributed to the trade with illustrations and proper identification, each manufacturer of such product shall within ten (10) days after notice of such determination file with the Executive Committee a net price list or a price list and discount sheet as the case may be, individually prepared by him showing his current prices, or prices and discounts, and terms of payment.

Revised price lists with or without discount sheets may be filed from time to time thereafter with the Executive Committee by any manufacturer of such product, to become effective upon the date specified therein, but such revised price lists and discount sheets shall be filed with the Executive Committee ten (10) days in advance of the effective date, unless the Executive Committee shall authorize a shorter period.

The price lists filed with the Executive Committee shall be open to inspection at all reasonable times by any employer in the industry.

SEC. 3. *Issue of New Lines*.—Manufacturers of residential lighting fixtures produced for resale shall file a net price list with illustrations and proper identification of all current lines not later than February 15 of any year.

Additional lines or items may be offered on the approval of the Executive Committee. Such approval shall be granted within thirty (30) days. If approval is not granted for any reason, an appeal may be made by the person seeking such approval to the Arbitration Board of the association.

SEC. 4. *Discounts and Commissions.*—All persons in the industry shall afford equal terms, prices, and advantages to their customers, and shall allow no discounts or commissions except as approved by the Executive Committee of the section or sections with which they are affiliated.

SEC. 5. *Pricing.*—Products of the industry shall be priced at the factory and be billed f.o.b. factory.

SEC. 6. *Shipping, Packing, etc.*—Where packing costs and shipping charges are not figured in the cost of the product, an additional charge shall be made for packing and delivery expense.

SEC. 7. *Charges for Special Drawings.*—Where drawings are submitted in competition with other manufacturers of lighting fixtures to an owner direct, or through his authorized agent, a professional service fee of two (2) percent of the bid shall be charged by each bidder and paid to each and every unsuccessful bidder by the owner or his authorized agent. No successful bidder shall assume the cost of the design charges herein provided. No member of the industry shall prepare drawings for anyone which shall be used as a basis of competition.

SEC. 8. *Policy on Specified Appropriations.*—Where an invitation to submit a proposal for a specified sum is received by a manufacturer, no bid shall be submitted for less than the amount which the invitation states is appropriated.

SEC. 9. *Policy on the Practice Known as "Bid Peddling".*—(a) No manufacturer shall furnish quotations for lighting fixtures of special or regular design to a dealer or electrical contractor, or any other firm or individual, who has already been awarded a contract for such fixtures in open competition; nor shall any manufacturer accept an order based on quotations which have not been furnished before the award of such a contract; nor shall any manufacturer reduce his quotations made before the award of the contract after such award, except as he may furnish reasons therefor satisfactory and sufficient to the Executive Committee.

(b) Persons submitting bids for lighting equipment who seek bids from submanufacturers whose prices and products are incorporated in the making of the general bid shall, in the event of receiving such contracts, place the order for the specified material with the submanufacturer whose quotations were used in compiling the bid without further competition inferred or implied.

SEC. 10. *Prices for Combined Complete Units.*—No person shall quote a total price on any schedule of lighting equipment which does not show the unit prices of the articles comprising the schedule. When an article consists of two or more parts, which of themselves are considered complete units by the industry, the unit price of the combined article shall not be less than the sum of the unit prices of the articles which comprise it.

SEC. 11. *Catalogue Charges*.—A minimum charge to the distributor or dealer of fifteen (15) cents each shall be made for all residential lighting fixture catalogues in excess of twenty-five (25) copies.

A charge of one (1) cent a sheet shall be made for separate sheets in excess of twenty-five (25) copies.

Electrotypes shall be furnished and charged for. Credit shall be given if returned within six (6) months.

SEC. 12. *Use of Prevailing Wage Rates*.—Wherein contracts are to be let in various parts of the country and there is a variance in installation labor wages, it shall be the privilege of the manufacturer to use the labor costs for installation work only that prevail in the various geographical sections in order that he can figure his selling price accordingly and be in fair and equitable competition in connection with the bids that are submitted in the respective zone.

SEC. 13. *Shipments on Approval or Consignment*.—No samples or stock shall be sent on approval or consignment by any wholesale manufacturer.

SEC. 14. *Samples*.—No person in the industry shall make, loan, submit, or install models or samples in competition except where he is reimbursed in full for all costs or expenses incurred thereby, including the service charge if necessary to accept the return of any merchandise.

SEC. 15. *Return of Merchandise*.—No merchandise shall be returned, or accepted by the manufacturer when returned, unless the consent of the manufacturer, in writing, has first been obtained. No merchandise shall be accepted for return which has been in the possession of the customer for a period of thirty (30) days or more. When merchandise is returned according to the provisions of this section, a service charge of not less than twenty (20) percent plus return freight charges shall be charged.

Provided, however, that this section shall not apply when it is shown that the merchandise was defective or not shipped according to the order of the buyer.

SEC. 16. *Orders and Contracts*.—All transactions between members of this industry and their customers shall be confirmed by signed orders or contracts. Records, documents, and book entries shall accurately reflect such transactions, and no entry or document usually made in the normal course of business shall be omitted in whole or in part from such records, so that the original transaction and all modifications thereof shall be accurately reflected from an inspection of such available books and records.

SEC. 17. *Registration of Design*.—All lighting equipment designs which are original and not patented and for which patent has not been applied shall be registered by wholesale manufacturers with the association. Retail manufacturers may register such of their original designs as they desire to protect under the same conditions. All disputes under this provision shall be settled under the arbitration rules of the association.

No person in the industry shall copy and/or reproduce any design or pattern so registered or appropriate the selling feature of any design or pattern.

SEC. 18. *Substitution of Materials*.—The use or substitution of materials or the delivery of products which do not conform to

samples submitted or representations made prior to securing the order, without making the proper adjustment in the quoted price and clearly indicating the nature of the substitution, shall be deemed a violation of this Code.

SEC. 19. *Rebates, Refunds, etc.*—The payment or allowance of rebates, refunds, unearned discounts, gratuities, or gifts, in any form, to customers or their agents shall be deemed a violation of this Code.

SEC. 20. *False Advertising.*—Advertising, selling, or offering to sell any product in such manner as to deceive purchasers or intending purchasers as to quality or grade of such product, shall be deemed a violation of this Code.

SEC. 21. *False Statements.*—The making of false statements with respect to a competitor's prices, products, policies, or practices shall be deemed a violation of this Code.

ARTICLE VII—PRIOR CONTRACTS

SECTION 1. *Increased Costs.*—Where the costs of executing contracts entered into by members of the industry prior to the adoption of this Code are increased as a result of the operation of the provisions of this Code, appropriate adjustments of such contracts may be made so as to reflect such increased costs.

SEC. 2. *Agency of Adjustment.*—The Arbitration Committee of the association is constituted an agency for effecting such adjustments where such adjustments cannot be agreed upon by the parties involved.

ARTICLE VIII—ARBITRATION

All disputes of whatever nature between persons in the industry shall be settled by arbitration under the arbitration rules of the association and every contract shall contain a provision to that effect.

ARTICLE IX—ADMINISTRATION OF THE CODE

SECTION 1. *Powers of Executive Committee.*—The Executive Committee shall have power:

- (a) To administer the provisions of this Code.
- (b) To adopt rules and regulations for the enforcement thereof.
- (c) To consider amendments and exceptions to this Code.
- (d) To entertain and hear complaints against any person in the industry arising out of an alleged violation of this Code.
- (e) To initiate proceedings before the appropriate governmental agencies to prevent and/or punish violations of this Code.
- (f) To make provisions for an adequate cost-accounting system for the industry.
- (g) To establish as soon as practicable a Bureau of Credit Information for the industry.
- (h) To establish rules and regulations for the disposal of distress merchandise in such a way as to protect the owners thereof and to cause the least possible disturbance to the stability and sound conditions of the industry.
- (i) To obtain from time to time from each person in the industry specific reports in such form and containing such information as the

Executive Committee may prescribe. To this end the duly accredited executive officer of the agency shall have access to all places of business maintained by any person to whom this Code is applicable and shall have the right at all times, in cases of dispute or complaint calling for verification, to examine the books of accounts, records, and files of all persons in the industry. No information thus obtained shall be revealed to anyone but a member of the administrative staff or the properly accredited representative of the Administrator of this Act.

(j) To make recommendations for establishing a uniform and standard method of estimating special designs.

(k) To make available to established credit agencies all useful information regarding the actual functioning of this Code, to the end that available credit may be adapted to the needs of the industry considered as a whole, and to the needs of the small as well as the large units thereof.

(l) To make recommendations for investigating and informing the Administrator as to the importation of competitive articles into the United States in substantial quantities or increasing ratio to domestic production on such terms or under such conditions as to render ineffective or seriously to endanger the maintenance of this Code, and of making complaint to the President in behalf of the Lighting Equipment Industry under the provisions of the National Industrial Recovery Act with respect thereto.

(m) To collect such statistics and trade information from persons in the industry as they may deem desirable for the betterment of the industry.

ARTICLE X—REPORTS

With a view to keeping the Administrator informed as to the observance or non-observance of this Code, and as to whether the Lighting Equipment Industry is taking appropriate steps to effectuate the declared policy of the National Industrial Recovery Act, the Administrator will be furnished such reports as he may from time to time require.

ARTICLE XI—VIOLATIONS AND PENALTIES

SECTION 1. Failure to perform any obligation of this Code shall be subject to the legal remedies and penalties set forth in the National Industrial Recovery Act.

SEC. 2. Should any reports or data furnished by any person in the industry be found, upon checking by the duly accredited executive officer to be untrue, the expense of such check shall be borne solely by the person filing such untrue report or data.

Each person shall be liable to a penalty of one (1) dollar for each day's delay in filing reports.

ARTICLE XII—MODIFICATIONS AND AMENDMENTS

SECTION 1. This Code and all the provisions thereof are expressly made subject to the rights of the President, in accordance with the provision of Clause 10(b) of the National Industrial Recovery Act,

from time to time, to cancel or modify any order, approval, license, rule or regulation, issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

SEC. 2. Should any provision of this Code be declared invalid or unenforceable, the remaining provisions thereof shall continue in full force and effect.

SEC. 3. All amendments to this Code shall first be proposed by the Executive Committee of the association by a vote of the majority members thereon. Such amendments shall then be submitted to a meeting of the members of the association and the members of the Code, which shall be called for such purpose upon notice specifying the amendments to be voted upon. If at such meeting sixty (60) percent of the members present or by proxy entitled to vote upon such amendments shall cast their votes in favor of such amendments, such amendments shall be submitted to the President for approval, and, if approved by him, shall have the same force and effect as if originally a part hereof.

ARTICLE XIII—LIABILITY

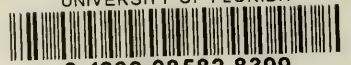
No member of the Executive Committee, the President, the Treasurer, or any committee appointed under this Code, or any officer or employee appointed under this Code, shall be liable to anyone for any action or omission to act under this Code except for his wilful misfeasance or nonfeasance.

ARTICLE XIV—EFFECTIVE DATE

This Code shall become effective ten (10) days after its approval by the President.



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